

Abstract of the Disclosure

A method for protecting digital information which places a financial risk on a purchaser of digital information if the digital information is illegally copied is disclosed. The digital information being purchased is first encoded using a public key before being distributed to the purchaser. Each time the digital information is used, the digital information must be decoded using a private key which is stored on a smart card such as a credit card or an identification card, wherein the private key can not be used until the user of the smart card has been properly authenticated.